

GRETCHEN WHITMER
GOVERNOR

STATE OF MICHIGAN DEPARTMENT OF TECHNOLOGY, MANAGEMENT & BUDGET LANSING

BROM STIBITZ ACTING DIRECTOR

MINUTES

Electronic Recording Commission April 23, 2020

This meeting was conducted virtually via the Zoom platform.

Commission Members Present: Chair Justin Roebuck, Deputy Chair Brandon Denby, Sara Dolan, Brian Henry, Sherri Irwin, Patricia Niepoth, Derrick Quinney, Dominic Rios

Also in attendance: Jerome Czaja, Chief Deputy Register, Kent County; Adam Fracassi, Michigan Office of Great Seal, Secretary of State; Trisha Gerring, Chief Deputy Register, Ingham County; Christian Meyer, past ERC chair; Rachel Sanchez, Chief Deputy Register, Ottawa County; and Deborah Stevens, Recording Secretary as well as unidentified interested parties.

CALL TO ORDER.

The meeting was called to order by the Chair J. Roebuck at 11:04 a.m. A quorum was present.

II. APPROVAL OF MINUTES.

Motion: to approve the minutes of December 3, 2019.

Moved: P. Niepoth Second: S. Dolan

Passed: Unanimously

III. INTRODUCTIONS

Introductions were made. New members were Sara Dolan, Chief Financial Officer, Michigan State University Federal Credit Union; Brian Henry, Orlans PC; Derrick Quinney, Register of Deeds, Ingham County; and Dominic Rios, Loomis Law Firm.

IV. OVERVIEW OF ELECTRONIC RECORDING COMMISSION AND RELATED LEGISLATION

A review of the current standards and recommended revisions was presented by C. Meyer and J. Czaja who helped write the original standards. Minor changes were suggested to several sections such as security language, elimination of models which are no longer used, and an addition to the business rules. Two sections were added: Agreement Establishing a Verified Transactional Relationship and Standards for Electronic Notarization. The latter was required under a change to the Uniform Real

Property Electronic Recording Act directed by a 2018 amendment to the Michigan Notary Public Act allowing electronic notarization.

V. REVIEW OF E- AND REMOTE NOTARY IN MICHIGAN

A. Fracassi is the lead on the electronic notarization process at the Secretary of State. He explained the fast track selection process which approved the first five vendors to offer e- and remote notary platforms and the development of standards for new vendors.

He also reviewed proposed Standards for Electronic and Remote Notarization with sections applying to both notaries and vendor-specific standards and requirements.

Comments included audit trails, wet signatures, and development of training. A. Fracassi stated the interest has increased nationally in electronic notarization and welcomed the commission members to notify him of any issues they encounter.

VI. Finalize draft language for revised Electronic Recording Standards

Motion: to approve the finalized revised Michigan Electronic Records Standards as presented updated with names of the current commission members

Moved: D. Rios Second: S. Dolan

The question of consequences if the standards were not met was answered that usually errors would be fixed by counties once brought to their attention. Agreements are between the county and software vendor so the ability to influence language is limited.

The question of whether the Electronic Recording Commission has legal authority to address the issue of papering out was discussed. It was pointed out that its authority is fairly broad and part of its charge is to promote uniformity among states. In revising the Standards, examples from Texas, Virginia, and other states were reviewed. Most felt the risk for title companies was low.

Currently, twenty counties are not e-recording. Issues included apprehension about technology and the need to fund computer and/or server upgrades.

The Chair called for a roll call vote.

Derrick Quinney Aye
Brandon Denby Aye
Sara Dolan Aye
Dominic Rios Aye
Brian Henry Aye
Patty Niepoth Aye
Justin Roebuck Aye

Passed Unanimously.

VII. SET MEETING DATES FOR 2020

Meetings were scheduled for Wednesday, July 15 at 10:00 a.m. and Tuesday, Oct. 6 at 11:00 a.m.

Determination of whether these meetings will be in person or help virtually will be determined at a later date.

VIII. ADJOURNMENT

Motion: to adjourn the meeting at 1:11 p.m.

Moved: P. Niepoth Second: Brandon Denby

Passed Unanimously.

Respectfully submitted:

Approved Oct. 6, 2020

Deborah A. Stevens Recording Secretary